OGC HAS REVIEWED.

30 March 1949

MEMORANDUM

TO:

Office of General Counsel

TRUM:

Chief, Confidential Funds Branch

25X1A

- Marriage of Personnel SUBJECT:

- 1. Subject GAI in many instances will involve actual or possible breach of contract as to tour of overseas duty by employees which in turn would normally require recovery of monies expended by the Government for transportation and per diem of the employee incurred in sending the employee to the overseas post of duty.
- 2. Contracts with employees require them to serve a minimum of 12 months at their overseas post. If the employee resigns prior to 12 months he is liable for all transportation and travel expenses incurred in sending him to that post. If an employee resigns after 12 months at the overseas post, but prior to completion of the normal 24 months contractual period of overseas duty, the employee forfeits his right to return transportation and travel expenses to the United States. The individual contracts signed by each employee do not contain any specific clause prohibiting marriage, for reasons of security, without the approval of the agency.
- 3. An opinion is requested as to whether breach of contract has occurred in the event an employee resigns after denial by Headquarters of permission to marry a specific individual or if employee is terminated due to marriage without seeking permission to marry. Secondly, does such breach of contract necessarily require recovery by the Government of travel expenses to the post if such breach of contract occurred prior to the completion of 12 months at the post. Thirdly, can the Government waive recovery contrary to the terms of the contract for reasons of policy and, if so, by whom can such waiver be granted. Lastly, inquiry is made as to whether or not contracts containing punitive clauses are legal if the breach is based solely on the fact of marriage to an individual not acceptable to this agency for reasons of security; more specifically, whether damages arising solely from breach of contract due to marriage would not be contrary to public interests.

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Chief, Confidential Funds Branca